

## **News Release**

Pat Quinn, Governor

Jay Rowell, Director

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## Federal Workers Must Repay Unemployment Benefits At least 577 Workers Must Repay \$231,174

**CHICAGO** – Federal employees in Illinois who were furloughed during the partial federal government shutdown must repay unemployment insurance benefits if they also received wages for the period they were not working, the Illinois Department of Employment Security reminded employees today.

During the partial shutdown, when federal officials promised that employees would receive wages for the days that they did not work, IDES offered the reminder that individuals who also sought unemployment insurance benefits for that same period would be required to repay the benefits.

Preliminary data show that of the 2,937 federal workers who applied for unemployment insurance, 577 took the next step to be paid a total of \$231,174. These individuals will be sent notices that the money must be repaid to IDES. If it is not, IDES can take steps to recover those dollars, including garnishing tax refunds.

"The federal shutdown needlessly scared scores of workers and robbed our economy of \$24 billion in growth," IDES Director Jay Rowell said. "Another consequence was that thousands of federal workers turned to unemployment insurance because they did not know how long they would be out of work. Now that federal employees are being repaid, they need to pay back the unemployment insurance benefits they received. I fully expect that they will."

Recovering the dollars that were paid is part of IDES' standard Trust Fund integrity measures that help place downward pressure on the payroll taxes businesses pay to fund unemployment insurance benefits. In this case, that employer is the federal government, and the money it uses comes from our tax dollars.

It is important to note that more than 2,937 federal workers were sent home as a result of the partial shutdown. This number reflects only those individuals whose applications for unemployment insurance benefits have been processed. IDES does not know the exact number of furloughed employees.

IDES takes seriously its responsibility to fight waste, fraud and abuse. As such, it has launched several integrity initiatives to safeguard the unemployment insurance program from unscrupulous employers and employees. In the past two years, IDES has garnished tax returns to recover more than \$85 million in fraudulent payments and used enhanced data integration to stop more than \$160 million in fraudulent payments before they could be made. IDES also has focused on businesses that have attempted to defraud the program and has increased tax collections by 27 percent in 2012.

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